

Washington State Public Works Board

State Environmental Review Process (SERP)



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Project Guide

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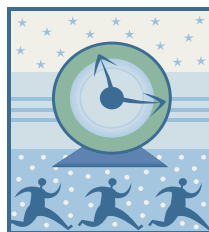
What is SERP?

The State Environmental Review Process or SERP is an integral part of the state of Washington's Drinking Water State Revolving Fund (DWSRF) program. Its purpose is to identify and analyze any potential environmental impacts of a project. The review must be done in compliance with the National Environmental Policy Act (NEPA) and the State Environmental Policy Act (SEPA). Before a borrower can make any loan draws for construction activities, it must complete SERP and gain environmental concurrence from the Department of Community, Trade and Economic Development (CTED).

"All DWSRF projects are required to go through SERP."

When do I begin?

The SERP process begins as soon as your application has made the funding list for the DWSRF program. Once you have been notified that you are on the funding list you will be contacted by the SERP coordinator for CTED.



All DWSRF projects are required to go through SERP in order to receive any construction dollars for the projects.

The SERP Process

The process below describes how to

proceed if the SEPA and NEPA review findings are similar at each stage of the review. However, if the Borrower experiences a situation where the SEPA and NEPA review do not end with similar findings, the Borrower must follow the stricter environmental finding.

1 Notification

Once you have been notified that you are on the funding list you will be contacted by either the Regional Account Executive (RAE) for your region or the SERP Coordinator from CTED. They will schedule an appointment with you to see the project site.

2 Set-Up an Environmental Review Record File (ERR)

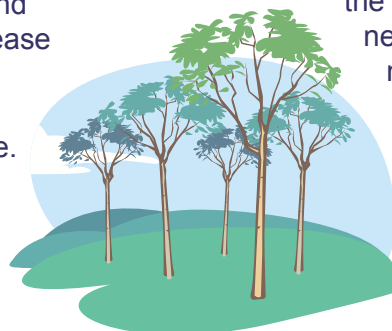
CTED and the Borrower need to set up an Environmental Review Record (ERR) file. The ERR file contains all of the required SEPA and NEPA documentation. The following can be used as a guide to documenting the process for reaching an environmental finding. The level of documentation will be dependent upon the number of steps required to complete this environmental review.

- ◆ Project Identification (e.g. name of the project and jurisdiction, street address, etc.)
- ◆ Environmental checklists (if used) with data sources and explanations.
- ◆ Descriptions of actions or modifications which could be undertaken to minimize the identified adverse environmental impacts.
- ◆ Identify project alternatives that were

work in a different location or not undertaking the project. Each alternative should be analyzed, including the feasibility of each alternative and reasons why each should be adopted or rejected.

- ◆ Copies of all paper-work associated with the environmental review of the projects, this includes the following:
 - √ Environmental checklists completed for the project.
 - √ Finding and Determination documentation.
 - √ Written identification of project alternatives and assessment of alternative impacts, this includes the no-action alternative.
 - √ Notification and responses from affected agencies.
 - √ Notification and responses from affected agencies.
 - √ Affidavits of publication, if necessary.
 - √ All public comments and agency responses to them.
 - √ Environmental concurrence letter from CTED
 - √ All correspondence relating to Environmental Review Process.

If your project has gone through the local government's permitting process and requires additional environment, please remember to send copies of all documents and finding to CTED SERP Coordinator for your ERR file.



3. Determination of Eligibility for Categorical Exclusion or Categorical Exemption

“Projects consisting of minor repair or rehabilitation may be eligible for an exclusion/exemption status.”

- ◆ Projects consisting of minor repair or rehabilitation may be eligible for an exclusion/exemption status. Work with the SERP Coordinator at CTED to determine, based on project related information, if the project is categorically excluded under NEPA [40 CFR Ch. 1 (7-1-97 Edition) 6.107] and categorically exempt under SEPA WAC 197.11800. If the project is not Categorical Excluded/Exempt, the Borrower must complete the environmental assessment described in Step Four.
- ◆ If CTED determines the project is excluded/exempt, CTED will issue/sign a Finding of Categorical Exclusion and a Finding of Categorical Exemption to the Borrower.
- ◆ Upon receipt of this finding from CTED, the Borrower shall:
 - √ Publish a finding of Categorical Exclusion and a finding of Categorical Exemption and Notice to the Public of Intent to Request Release of Funds in the legal section of a local newspaper. The local newspaper must be of general circulation located in the “project” area

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- ✓ Submit an Affidavit of Publication of the Finding of Categorical Exclusion and a Finding of Categorical Exemption and Notice to the Public of Intent to Request Release of Funds to the SERP coordinator.
- ✓ Send a letter to the SERP coordinator requesting the release of DWSRF Funds.
- ◆ Upon receipt of the request to release funds and the newspaper affidavit, CTED will:
 - ✓ Notify the Borrower by letter of CTED's environmental concurrence and approval to begin drawing funds to pay for eligible costs.

Note: If the project is determined to be excluded/exempt do not proceed to Step Four.

4. Complete Environmental Assessment

For projects that are not categorically excluded/exempt, the Borrower must contact the SEPA lead agency to proceed with the environmental assessment. The SEPA lead agency may be the city, county, public utility district, or water district. If no local licenses are required for the project, a state agency with a license to issue will be the lead agency.

Most large jurisdictions have a Responsible Environmental Review Officer, usually the Planning Director, City Supervisor, or County Administra-

tor. If possible, work with the Responsible Environmental Review Officer to complete the SEPA checklist.

If review and response to the SEPA checklist indicates there may be a significant effect on the environment that cannot be mitigated, the lead SEPA agency makes a formal Determination of Significance/Scoping Notice. The Borrower must submit this finding to the SERP coordinator at CTED for more information on how to proceed. It may be necessary to prepare a more thorough study called an "Environmental Impact Statement." This process is described under Step 5.

However, if it is determined that there are no significant environmental impacts as a result of the project and the lead SEPA agency issues a Determination of Non Significance (DNS), the Borrower shall:

- ◆ Provide a copy of the DNS and completed SEPA Environmental Checklist to the SERP coordinator at CTED.
- ◆ Work with the SERP coordinator to supplement the completed SEPA environmental checklist as necessary, to include the following evaluations:
 - ✓ Identify and analyze feasible alternatives to the proposed project including the no action alternative;
 - ✓ Evaluate the environmental consequences of the proposed action and the alternatives, the

Note: If the project is determined to be excluded/exempt do not proceed to Step Four.

adverse effects of the proposed action, including mitigating measures.

Together, the SEPA Environmental Checklist, and the above supplemental evaluation will comprise an “Environmental Assessment” (EA). If based on the EA, it is determined that there are no significant environmental impacts as a result of the project, CTED will issue and sign a Finding of No Significant Impact (FONSI).

CTED will publish, in the legal section of a local newspaper of general circulation, located in the “project” area, the FONSI and Notice to the Public of Intent to Request Release of Funds. CTED will also distribute the FONSI to any interested agencies, groups or persons.

CTED must wait a minimum of 15 days after the date of publication of the FONSI. This allows the public to review and if they wish, comment to CTED. CTED will take these comments into consideration prior to the release of funds.

Any mitigation measures determined by CTED to be necessary to make the project environmentally acceptable and avoid significant impacts will be cited in the FONSI, and/or included as conditions of the release of loan funds

If no significant issues were raised during the 15 days FONSI public review period, CTED will notify the Borrower by letter of the completion of the environmental review and release of funds to cover eligible project costs.

However, if issues are raised and objections found to be legitimate, CTED will not release funds to the Borrower until the objections are resolved.

If CTED determines, based on the EA, that a significant impact may occur as a result of the project, which cannot be mitigated, proceed to Step 5 below.

5 Environmental Impact Statement (EIS)

If after working through the SEPA checklist, a Determination of Significance/Scoping Notice is issued by the Lead SEPA agency, and Environmental Impact Statement (EIS) will be required.

An EIS will also be required if, based on the EA, impacts are determined to be significant and a FONSI cannot be issued under Step 4.

The borrower will work with the lead SEPA agency to complete the SEPA EIS process. A SEPA EIS may require a public hearing to provide comment on the draft Environmental Impact Statement. CTED will co-lead with the

SEPA agency to complete the EIS. CTED will work with the SEPA lead agency to insure the SEPA EIS meets all requirements for the NEPA EA or NEPA EIS. If the requirements of a NEPA EA are met, CTED

will issue a FONSI, with necessary mitigation measures as described above under Step 4. If the



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required mitigation measures.

6 Environmental Compliance Monitoring Process

Borrowers will be monitored by CTED staff after the release of funds to determine if mitigation requirements have been satisfied.

7 Procedures for Objections to Environmental Review Determinations

Objections submitted to the CTED regarding environmental determinations (categorical exclusion/exemptions, Findings of Non Significance, Environmental Impact/Record of Decision) must:

- ◆ Be submitted in writing to CTED SERP Coordinator during the applicable public review period;
- ◆ Include the name, address, and telephone number of the objecting party or organization;
- ◆ Be dated and signed by the person or authorized official of the agency objecting; and
- ◆ Describe the basis for objections and the facts or legal authority supporting the objections.

When CTED receives an objection in conformance with the above, CTED will consider the objection(s) prior to taking further administrative action or authorizing the release of loan funds, until a satisfactory resolution is achieved.

Criteria for Determination of Categorical Exemption or Categorical Exclusion

CTED will use the criteria below to determine whether a project is eligible for a categorical exemption or categorical exclusion:

SEPA and NEPA Exemption/Exclusion Criteria

1 The criteria for categorical exemption (SEPA) has been taken from the Washington State WACS (refer to WAC 197-11-305 and WAC 197-11-800).

- √ Section (2) Other minor new construction
- √ The installation of impervious underground tanks, having a capacity of 10,000 gallons or less.
- √ The vacation of streets or roads.
- √ The installation of hydrological measuring devices, regardless of whether or not on lands covered by water.
- √ The installation of any property, boundary or survey marker, other than fences, regardless of whether or not on lands covered by water.

- ◆ Section (3) Repair, remodeling and maintenance activities

The following activities shall be categorically exempt: The repair, remodeling, maintenance, or minor alteration of existing private or public structures, facilities or equipment, including utilities, involving no material expansions

or changes in the use beyond that previously existing.

◆ Section (24) Utilities

- √ All storm water, water and sewer facilities, lines, equipment, hookups or appurtenances including, utilizing or related to lines eight inches or less in diameter.
- √ All developments within the confines of any existing electric substation, reservoir, pump station or well: Provided, that additional appropriations of water are not exempted by this subsection.

NOTE: Pursuant to WAC 197-11-305, if a proposal fits within any applicable categories, from WAC 197-11-800, indicated above, it is eligible for a categorical exemption, EXCEPT as provided under WAC 197-11-305 (1) (a) and (b), relating to environmentally sensitive areas, related actions, and significant impacts.

2 The criteria for categorical exclusion NEPA has been taken from the Federal Rules on Exclusions 40 CFR Ch. 1 (7-1-97 Edition) 6.107 Categorical Exclusions.

- ◆ General categories of actions eligible for exclusion. Actions consistent with any of the following categories are eligible for a categorical exclusion:
 - √ Actions which are solely directed toward minor rehabili-

tation of existing facilities, functional replacement of equipment, or towards the construction of new ancillary facilities adjacent or appurtenant to existing facilities.

NOTE: Note Excluded (page 79 of EPA NEPA rules):

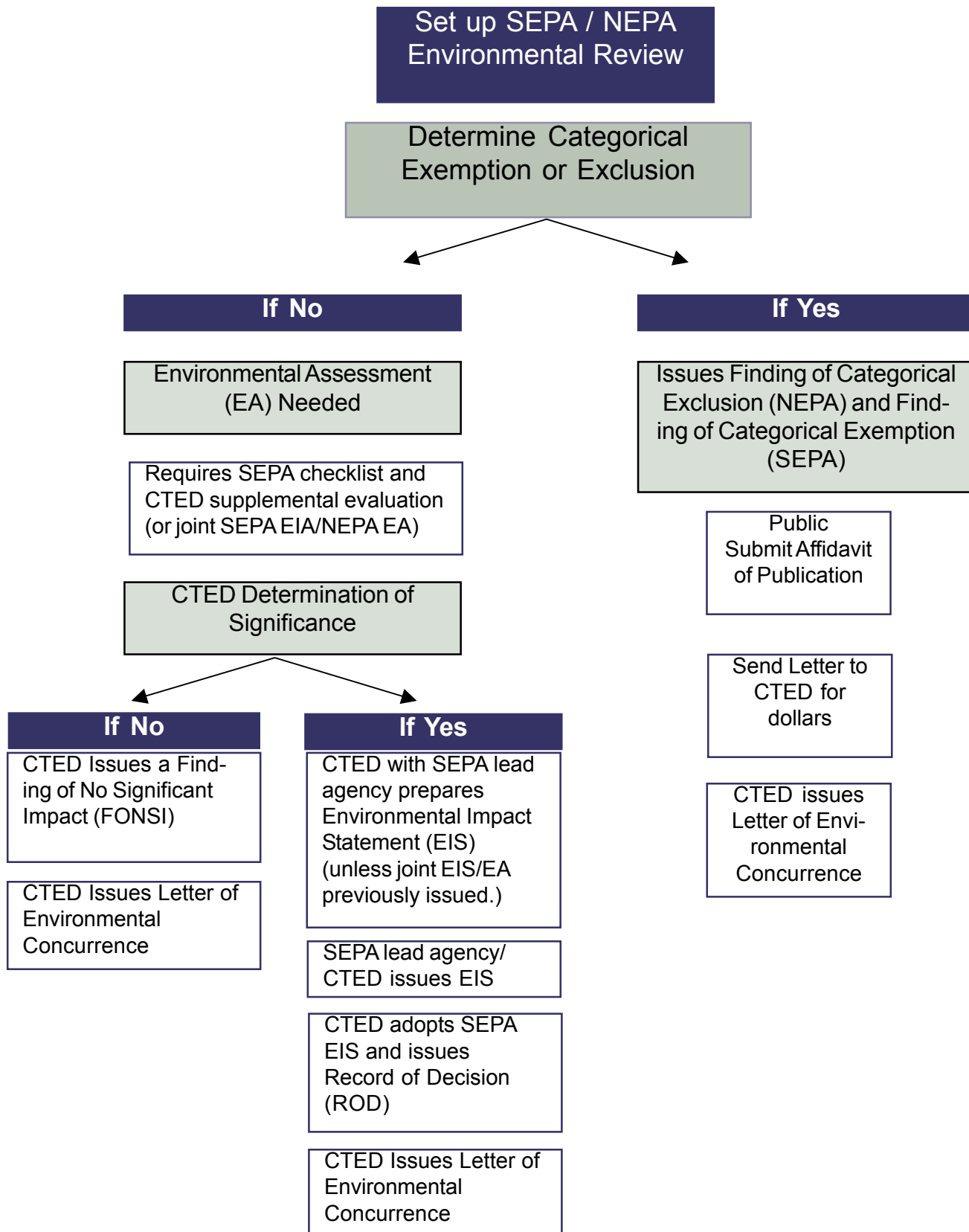
Categorical exclusion may not be granted when:

- ◆ The action is known or expected to have a significant effect on the quality of human environment, either individually, cumulatively, over time, or in conjunction with other federal, site local, tribal, or private actions.
- ◆ The action is known or expected to directly or indirectly affect:
 - √ Cultural resources areas such as archeological and historic sites in accordance with 6.301.
 - √ Endangered or threatened species and their critical habitats in accordance with 6.302.
 - √ Environmentally important natural resource areas such as floodplains, wetlands, important farmlands, aquifer recharge zones in accordance with 6.302.

One thing to always keep in mind, the SERP process is not a duplication of either SEPA or NEPA. If you are required by the Environmental Lead Agency, whether it is the SEPA or NEPA to do and EA or EIS, all we want is copies of all your documents for our records.

"The SERP process is not a duplication of either SEPA or NEPA".

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